

HOUSE BILL REPORT

SHB 1413

As Passed House:

March 9, 2005

Title: An act relating to expanding the criteria for habitat conservation programs.

Brief Description: Expanding the criteria for habitat conservation programs.

Sponsors: By House Committee on Capital Budget (originally sponsored by Representatives Dunshee, Jarrett, Hunt, Nixon, Linville, Anderson, Sells, Tom, Appleton, Eickmeyer, B. Sullivan, Ericks, Chase, Lantz, Flannigan, Green, Ormsby, Upthegrove, Blake, O'Brien, Priest, Morrell, Clibborn, Kagi, Williams, Moeller, McCoy, Miloscia, Campbell and Simpson).

Brief History:

Committee Activity:

Capital Budget: 2/2/05, 2/16/05 [DPS];
Appropriations: 2/23/05, 2/24/05 [DPS(CB)].

Floor Activity:

Passed House: 3/9/05, 63-33.

Brief Summary of Substitute Bill

- Adds two new categories to the Washington Wildlife and Recreation Program (WWRP) for farmlands preservation and riparian protection and establishes a formula for allocating moneys to the new accounts.
- Changes WWRP funding allocations for categories under the Habitat Conservation Account and the Outdoor Recreation Account.
- Requires the Department of Natural Resources and the Department of Fish and Wildlife to make a payment in lieu of property taxes and an additional amount for weed control for lands acquired using funds from the Habitat Conservation Account. All state agencies acquiring land under the Riparian Protection Account must make these payments.

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 20 members: Representatives Dunshee, Chair; Ormsby, Vice Chair; Jarrett, Ranking Minority Member; Hankins, Assistant Ranking Minority Member; Blake, Chase,

Eickmeyer, Ericks, Flannigan, Green, Hasegawa, Lantz, Moeller, Morrell, Newhouse, O'Brien, Schual-Berke, Springer, Strow and Upthegrove.

Minority Report: Do not pass. Signed by 9 members: Representatives Cox, DeBolt, Ericksen, Holmquist, Kretz, Kristiansen, McCune, Roach and Serben.

Staff: Jeff Olsen (786-7157).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill by Committee on Capital Budget be substituted therefor and the substitute bill do pass. Signed by 21 members: Representatives Sommers, Chair; Fromhold, Vice Chair; Anderson, Assistant Ranking Minority Member; McDonald, Assistant Ranking Minority Member; Bailey, Buri, Cody, Conway, Darneille, Dunshee, Grant, Haigh, Hunter, Kessler, Linville, McDermott, McIntire, Miloscia, Priest, Schual-Berke and Walsh.

Minority Report: Do not pass. Signed by 5 members: Representatives Alexander, Ranking Minority Member; Clements, Hinkle, Pearson and Talcott.

Staff: Alicia Paatsch (786-7178).

Background:

The Washington Wildlife and Recreation Program (WWRP) provides funds for the acquisition and development of local and state parks, water access sites, trails, critical wildlife habitat, and urban wildlife habitat. Counties, cities, ports, park and recreation districts, school districts, state agencies, and tribes are eligible to apply for WWRP grants. Grant applications are evaluated annually and the Interagency Committee for Outdoor Recreation (IAC) submits a list of prioritized projects to the Governor and Legislature for approval.

Half of the funds appropriated in a biennium for the WWRP are for habitat conservation and are allocated according to a statutory formula for critical habitat, natural areas, and urban wildlife habitat. The other half of the funds are appropriated for outdoor recreation and are allocated by formula established in statute for state parks, local parks, trails, and water access sites. A portion of each account is left unallocated.

Summary of Substitute Bill:

Two new funds are created for administration by the IAC. The Riparian Protection Account is created to distribute funds for the acquisition and enhancement or restoration of riparian habitat. Riparian habitat is defined as land adjacent to water bodies, including submerged land and stream beds, that provide habitat for fish and wildlife species. The Farmland Preservation Account is created to distribute funds for the acquisition and preservation of farm and agricultural land. However, farmland preservation projects do not provide a right of public access unless explicitly agreed to by the property owner in an easement or deed restriction.

Appropriations for a biennium of up to \$40 million or less are split equally between the Habitat Conservation Account and the Outdoor Recreation Account. The Riparian Protection

Account and Farmlands Preservation Account receive a portion of any appropriations exceeding \$40 million.

Within the Habitat Conservation Account, allocations to the existing categories are increased and a new category is created for restoration and enhancement projects by state agencies. Within the Outdoor Recreation Account, allocations to the existing categories are also increased and a new category is created for development and renovation projects on state lands. Unallocated funds are eliminated for accounts. Criteria for grants for habitat conservation and outdoor recreation are revised to include such considerations as consistency with land use; shoreline, watershed, and recovery plans; and, the statewide significance of critical habitat projects. Habitat and recreation lands acquired using WWRP grant funds may not be converted to a use other than that for which funds were originally approved.

The IAC may retain up to 3 percent of WWRP funds for administration. The IAC may accept private donations to the WWRP accounts. The WWRO project lists are prepared and submitted to the Governor in even-numbered years. When considering acquisition priorities, the IAC must consider whether a project has a management and stewardship plan to implement noxious weed control and invasive species programs for projects funded from the Habitat Conservation and Riparian Protection accounts.

Lands acquired by the Department of Natural Resources and the Department of Fish and Wildlife using funds from the Habitat Conservation Account are subject to payments in lieu of property taxes and an additional amount for weed control. All state agencies acquiring land under the Riparian Protection Account must make these payments.

State or local agencies must consult with the appropriate county or city legislative authority before applying for funding to acquire property in counties having more than 70 percent of the total area in the county in public, federal, and tribal land.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect July 1, 2007, except for section 15, relating to program administration, which takes effect July 1, 2005.

Testimony For: (Capital Budget) Payments in lieu of property taxes would protect counties from losing part of their tax base when lands are acquired through the WWRP. Expanding grant criteria to include factors relating to local planning would assist local governments to implement these plans. The addition of the riparian protection account and the farmlands preservation account provide additional means to accomplish the WWRP's goals. Expanding the criteria for habitat conservation is in the interest of good stewardship practices; it increases public access to lands, provides more habitat for wildlife, increases local support in fulfilling county goals and is friendly to farmers.

Testimony For: (Appropriations) The Nature Conservancy supports this bill. The bill modernizes the program by expanding it to include two new categories for farmland

preservation and riparian protection, which updates the program to address current threats to natural resources. The bill requires the Department of Fish and Wildlife and the Department of Natural Resources (DNR) to pay payment in lieu of taxes (PILT). The Department of Fish and Wildlife already pays this and the bill just extends this requirement to the DNR; however PILT does not apply to DNR trust lands. The bill also requires these agencies to pay for weed eradication, but they already pay for this.

Testimony Against: (Capital Budget) Washington state suffers from a lack of land on which to build, a problem which further land acquisitions by the state will only increase. Concerns exist over counties losing money when "open space" lands are sold. Expanding the criteria for habitat conservation is incompatible with viable agricultural practices. The state should focus on managing lands it already has acquired, rather than creating more categories for acquiring land. The state needs to further examine conservation incentives and reconsider how much land is necessary to be taken out of production.

Testimony Against: (Appropriations) We oppose the riparian and farmland conservation part of the bill. With this bill we're faced with less buildable lands.

Persons Testifying: (Capital Budget) (In support) Bonnie Bunning, Department of Natural Resources; Mike Ryherd, Washington Wildlife and Recreation Coalition; Linda Oestreich, City of Olympia; Nina Carter, National Audubon Society; Don Stuart, American Farmland Trust; Steve Pozzanghra, Department of Fish and Wildlife; Paul Parker, Washington State Association of Counties; and Bob Rose, Skagitonians to preserve farmland.

(Opposed) Wesley McCart, private landowner; Merrill Ott, Stevens, Okanogan and Ferry Counties; and John Stuhlmiller, Farm Bureau.

Persons Testifying: (Appropriations) (In support) Bill Robinson, Nature Conservancy; and Mike Ryherd, Washington Wildlife and Recreation Coalition.

(Opposed) Andrew Cook, Building Industry Association of Washington.

Persons Signed In To Testify But Not Testifying: (Capital Budget) Andy Cook, Building Industry Association of Washington; Dwight Sutton, City of Bainbridge Island; Bill Robinson, Nature Conservancy; and Joanna Grist, Washington Wildlife and Recreation Coalition.

Persons Signed In To Testify But Not Testifying: (Appropriations) None.